Working of United Bank of India at Guwahati

1481. SHRI DAVID LEDGER: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Zonal Office of the United Bank of India at Guwahati has failed to fulfil its objectives;

(b) if so, the reasons therefor; and

(c) what steps are being taken to improve the situation and restore the credibility of the Bank and confidence of the employees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to c) United Bank of India (UBI) have reported that the operation of their Zonal Office at Guwahati has been hampered on account of logistic and infrastructural difficulties as also absence of required communication facilities in the North East.

UBI, have proposel to strengthen all their Regional Offices in the North Eastern States so that they can have independent control over their branch net work and maintain direct contact with the Head Office.

Debt Relief Scheme in Gujarat

1482. SHRI VITHALBHAI M. PATEL: Will the Minister of FINANCE be pleased to state:

(a) how many farmers and rural artisans in Gujarat State have got benefit from the Debt Relief Scheme;

(b) how much amount has so far been released for Gujarat State;

(c) how much amount has been released for Gujarat after December, 1991; and

(d) by when the remaining amount is likely to be released?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (d) The Agricultural & Rural Debt Relief (ARDR) Scheme, 1990 formulated by the Government of India envisaged extension of debt relief to the farmers, landless labourers, artisans and weavers in rural areas who were unable to repay their accumulated dues as on 2-10-1989 to the public sector banks and Regional Rural Banks (RRBs). State Governments also formulated Schemes for the borrowers of Cooperatives on the lines of the Central Scheme. While Government of India undertook to reimburse in full the debt relief provided under the Scheme by the public sector banks and RRBs, it undertook to bear 50 percent of the debt relief provided by State Cooperative Banks (SCBs) and State Land Development Banks (SLDBs) under the State Government Schemes. The balance 50 percent of the debt relief was to be met by the State Governments. With a view to help the State Governments to meet their share of 50 percent of the debt relief, Reserve Bank of India (RBI) extended loans to the SCBs and SLDBs through National Bank for Agriculture and Rural Development (NABARD).

In Gujarat, the public sector banks provided debt relief to 2,01,786 farmers and to 78,123 rural artisans. 20,388 rural artisans and 7,90,292 farmers have been provided debt relief by Cooperatives and Regional Rural Banks in Gujarat.

Details of claims submitted by Cooperatives and RRBs for debt relief provided for all categories of borrowers and amounts released there against are given below:

(Rs. in crores)

	Cooperative Banks (SCB/ SLDB)	HRBs
Total claim submitted	351.66	8.55
Amount sanctioned by NABARD to SCB/ SLDB:		
(a) Grant . .	148.56	6.68
(b) Loan . .	148.56	—
(c) Total . .	297.12	6.68

Banks in Gujarat had been requested to submit revised final claims after excluding the relief provided by them to ineligible borrowers. Release of balance amounts to banks would be considered by NABARD only after receipt of the same.

Performance of the Cooperative Institutions

1483. SHRI VITHALBHAI M. PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the ARDR Scheme has adversely affected recoveries of the Co-operative Credit Structure and vitiated the general recovery climate; and

(b) if so, what action Government have taken for the improvement of recovery performance of the co-operative institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) The recoveries of Cooperative Banks had been affected due to the implementation of the Agricultural and Rural Debt Relief (ARDR) Scheme, 1990. As a result, many co-operative banks had become ineligible for credit limits for the year 1991-92 and as such the National Bank for Agriculture and Rural Development (NABARD) had to consider certain relaxations in sanction and operation of the limits. This had helped several banks to become eligible for drawal of concessionary finance from NABARD and maintain the ceridt flow. The disbursements, which had picked up during 1991-92, gathered momentum during 192-93. Government have made pronouncements that no such loan waiver schemes will be implemented any more. Reserve Bank of India, NABARD and State Governments have been communicating measures at various fora to educate the borrowers to repay the bank dues quickly to ensure recycling of funds.

NRIs Investment in India

1484. SHRI CHIMAN BHAI MEHTA:
SHRIMATI MIRA DAS:
SHRI SARADA MOHANTY:
SHRI G. G. SWELL:
SHRI SUBRAMANIAN SWAMY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government contemplate to attract pension funds invested by NRIs abroad for investing them in our local industries and infrastructures;

(b) whether it is a fact that NRIs in USA have about 7 million dollars invested in pension funds such as Keogh, 401 k, 1. BA etc.;

(c) what are the hurdles for NRIs to invest their funds in India;

(d) whether it is a fact that such pension funds are investible only in Infrastructure public Limited companies listed on national exchanges; and

(e) whether Government propose to consider conversion of infrastructure Industries controlled and owned by them into limited companies so that extremely required capital in infrastructure is provided?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) The Overseas Pension Funds which register themselves as Foreign Institutional Investors (FIIs) can invest in Indian Industry through the Indian Capital Market in terms of the guidelines issued by the Government in September, 1992.

(b) The extent of investments by NRIs in pension funds in the USA is not known to Government of India.